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## -- REMARKS --

Applicant thanks the Examiner for the courtesies extended to Applicant's representative on March 3, 2005. Claims 1-21 were rejected by the Examiner on various grounds. The Applicant addresses each of these grounds as recited herein.

## A. Claims 1-18 were rejected under 35 USC §101

Claims 1-18 were rejected under 35 USC §101 as being directed to nonstatutory subject matter. The Examiner rejects claims 1-18 as being directed to nonstatutory subject matter because the claims, as drafted, "are not limited by language within the technological arts ..., even though said claim is limited by language to a useful, concrete and tangible application." Applicant respectfully traverses this rejection.

Claims I and 10 have been amended to direct the method and system to a "computer implemented method" as recited in amended claim 1 and a "computer implemented system" as recited in independent claim 10. Claims I and 10 are directed to statutory subject matter. The withdrawal of the §101 rejection of claims I and 10 is requested.

Claims 2-9 depend directly or indirectly from independent claim 1 and include all of the limitations of that claim. Withdrawal of the §101 rejection to claims 2-9 is requested. Claims 11-18 depend directly or indirectly from independent claim 10 and include all of the limitations of that claim.

Withdrawal of the §101 rejection to claims 11-18 is requested.

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## B. Claims 1-21 were rejected under 35 U.S.C. §103(a) as unpatentable over Shida (US Pub. No. 2002/0087396)

The §103(a) rejections of claims 1-21 as unpatentable over Shida are traversed. In order to maintain this rejection, each and every element of the claims must be taught or suggested, in at least as great detail as claimed, by the references.

At a minimum, Shida fails to teach or suggest "authorizing a points overdraft if the customer has less than the predetermined number of points" as claimed in independent claims 1, 10, and 19. The Examiner correctly notes that Shida lacks an explicit recital of authorizing a points overdraft if the customer has less than the predetermined number of points as claimed. However, the Examiner alleges that Shida implicitly discloses this element by citing generally to the entire Shida reference and specifically to "the point use ticket STP can be assigned to anyone, who can use the point use ticket STP or assign it to anyone freely in the same way as the original owner" (See paragraph 107) and "records the customer ID, the login ID and the number of points for the reservation service" (See paragraph 45). Contrary to the Examiner's assertion, it would not be obvious for one of ordinary skill in the art to modify and interpret Shida in such a manner as to teach "authorizing a points overdraft if the customer has less than the predetermined number of points" as recited in independent claims 1, 10 and 19. Further, one of ordinary skill in the art would not look to these specific paragraphs or the entirety of the Shida disclosure for teaching such a limitation.

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The Examiner further states that "it would have been obvious to modify and interpret the disclosure of Shida cited above as implicitly showing 'authorizing a points overdraft if the customer has less than the predetermined number of points' because modification and interpretation of the cited disclosure of Shida would have provided means where 'circulation of ...points can be promoted ....' based on the motivation to modify Shida so 'the point use ticket STP can handle points in the same way as cash, so that a circulation of the points can be promoted, and the value of using the points is improved" (original emphasis). To modify and interpret Shida in the manner the Examiner suggests is akin to giving away money to a customer who has not earned it without any provision for having the customer give it back.

During the telephonic interview, Examiner Young cited to paragraph 0070 of Shida for providing more support for the contention that Shida teaches authorizing a points overdraft if the customer has less than the predetermined number of points by teaching that "a customer can assign his or her points to another person freely", thereby equating the assignment of points earned by a first party to a second party as taught by Shida with authorizing an overdraft of points to a customer as claimed by the present application (emphasis added).

Those with ordinary skill in the art would not equate the assignment of points to a second party, as taught by Shida, with authorizing a points overdraft to a customer, as claimed by the Applicant, because those with ordinary skill in the art would ascribe the plain meaning of the term "overdraft" when interpreting the invention as claimed by the Applicants and as defined within the specification of the present Application. As understood by those with ordinary skill in the art the term "overdraft" is defined as (1) "The act of overdrawing a bank account." (The American Heritage® Dictionary of the English Language, Fourth Edition Copyright © 2000 by Houghton Mifflin Company) (2) A draft for more than the balance in the account on which the draft is drawn. (Wall Street Words: An A to Z Guide to Investment Terms for Today's Investor by David L. Scott. Copyright © 2003 by Houghton Mifflin Company.)

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Thus, nowhere in Shida does it teach or suggest allowing a customer to use more points than what has been earned, as is claimed by the Applicant, by "authorizing a points overdraft if the customer has less than the predetermined number of points". In fact, Shida teaches away from this allegation. Shida teaches that a user can only have tickets issued for the amount of points that have been accumulated and that, if the user tries to use more points than what has been accumulated, the tickets are invalidated and the tickets are unusable (See paragraphs 0060, 0062, 0075, 0079, reproduced below). Withdrawal of the rejection of claims 1, 10 and 19 under 35 U.S.C. §103(a) is requested.

[0000] The use reterring portion 22c verifies the ensumer ID, the mainter of portion and the recognition mainter that nave need transmitted with the reference, request with the research in the use maintagement database DB2 concerning the point use titates when there is the reference request from a point-use titate when there is the reference request from a point-useable facility such as a more of a mail if there are the interior in unused data in the use management database DB2, a is decided that the point use tacket is usuable. If there are no identical utilised data, it is decided that the point use tacket is unusable. Then, the decision is transmitted to the point-usable facility that has sent the reference request.

[0062] The cantor processing portion 22d refers the use management database DB2 conserming the point use taken in accordance with the cascel request from a customer, so as to verify the customer ID, the number of points, and the recognition number that have been transmitted with the request with the record in the use management database DB2 If there are alcorated unused data in the use management database DB2, the data are invalidated. As a result, the point use tacket becomes indusable. In addition, the number of points of the invalidated point use tacket as added to the accumulated number of points of the customer, and the added number of points is recorded as a new accumulated

[0075] The issue confirming display HG2 displays a ticket issuing menu for the A-store. The ticket issuing menu displays an accumulated number of points PTT, and the customer inputs the number of points and the number of tickets concerning the point use tacket ST to be issued (#16).

[0079] When the button BT22 is clicked, the sum of the number of points to be issued is calculated, and the remaining number of points after the issued number of points is subtracted from the accumulated number of points is displayed as a new accumulated number of points (#17). When the button BT21 is clicked (#18), a ticket issuing process for issuing the point use ticket ST is executed in the point-service system 3 (#19).

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Indeed, a modification of Shida as proposed by the Examiner would destroy the principle of operation, in contravention of the strictures of §103(a). Shida functions to ensure that a user does not obtain a ticket representing a greater number of points than the user has accumulated – i.e., Shida functions precisely to prevent "authorizing a points overdraft if the customer has less than the predetermined number of points."

Claims 2, 11 and 20 depend directly from independent claims 1, 10 or 19 and include all of the limitations of the respective claim. Therefore, claims 2, 11 and 20 are allowable for at least the same reasons as stated above for claims 1, 10 and 19. Furthermore, Shida does not teach or suggest "determining if the customer has accrued a number of points equal or greater than the points overdraft after a predetermined time period has elapsed" as recited in claims 2, 11 and 20. Withdrawal of the rejection of claims 2, 11 and 20 under 35 U.S.C. §103(a) is requested.

Claims 3, 5-9, 12 and 14-18 depend directly or indirectly from its respective independent claim, 1, 10 or 19, and includes all of the limitations of that claim. Therefore, claims 3, 5-9, 12 and 14-18 are allowable for at least the same reasons as stated above for claims 1, 10 and 19. Withdrawal of the rejection of claims 3, 5-9, 12 and 14-18 under 35 U.S.C. §103(a) is requested.

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Claims 4, 13 and 21 depend from its respective independent claim, 1, 10 or 19, and include all of the limitations of that claim. Therefore, claims 4, 13 and 21 are allowable for at least the same reasons as stated above for claims 1, 10 and 19. Furthermore, because Shida does not teach or suggest authorizing a points overdraft, Shida does not teach or suggest "imposing a financial penalty on the customer if the customer has accrued less than the points overdraft on expiration of the predetermined time period" as recited in claims 4, 13 and 21.

Further regarding claims 4, 13 and 21, the Examiner took Official Notice that "both the concepts and the advantages of 'imposing a financial penalty on the customer if the customer has accrued less than the points overdraft on expiration of the predetermined time period' ... were notoriously well known and expected in the art at the time the invention because it would have been obvious to modify and interpret the disclosure of Shida cited above as implicitly showing 'imposing a financial penalty on the customer if the customer has accrued less than the points overdraft on expiration of the predetermined time period'". The Applicants traverse this Official Notice, taken by the Examiner, that imposing a financial penalty on the customer if the customer has accrued less than the points overdraft on expiration of the predetermined time period' ... was notoriously well known and expected in the art at the time the invention and that it would have been obvious to modify and interpret the disclosure of Shida as implicitly showing this limitation.

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Contrary to the Official Notice, the Applicants assert that it is not well known by those in the art to impose a financial penalty on the customer if the customer has accrued less than the points overdraft on expiration of the predetermined time period as recited in claims 4, 13 and 21 because it is not well known by those of ordinary skill in the art to authorize a points over draft if a customer has less than a predetermined number of points as recited in independent claims 1, 10 and 19 from which claims 4, 13 and 21 depend. In support of this, Applicants point to the lack of such showing by the Examiner. If such a notion was so well known then the Examiner should have provided a reference teaching such a method. Instead, the Examiner merely makes baseless allegations that a method for authorizing a points overdraft is well known and, based on that, that "imposing a financial penalty on the customer if the customer has accrued less than the points overdraft on expiration of the predetermined time period" is notoriously well known. This taking of Official Notice is, therefore, in error and should be withdrawn.

Withdrawal of the rejection of claims 4, 13 and 21 under 35 U.S.C. §103(a) is requested. Withdrawal of the official notice of the claim limitations recited in claims 4, 13 and 21 is requested.

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## SUMMARY

The Applicant respectfully submits that claims 1-21 fully satisfy the requirements of 35 U.S.C. §§ 101, 102, 103 and 112. In view of the foregoing amendments and remarks, favorable consideration and early passage to issue of the present application are respectfully requested.

Dated: March 7, 2005

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